



Harrington Group

CERTIFIED PUBLIC ACCOUNTANTS, LLP

J. Joseph Harrington
Job M. Quesada
Sean E. Cain
Tonetta L. Conner

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COMMUNITY VIOLENCE SOLUTIONS

FINANCIAL STATEMENTS, SUPPLEMENTAL SCHEDULE, and ADDITIONAL INFORMATION

JUNE 30, 2008

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Community Violence Solutions

We have audited the accompanying Statement of Financial Position of Community Violence Solutions (a nonprofit organization) as of June 30, 2008 and the related Statements of Activities, Functional Expenses, and Cash Flows for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from Community Violence Solutions' June 30, 2007 financial statements and in our report dated November 19, 2007 we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Community Violence Solutions' internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Violence Solutions as of June 30, 2008 and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 20, 2008 on our consideration Community Violence Solutions' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal and Non-federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "*Audits of States, Local Governments, and Nonprofit Organizations*," and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as whole.

Harrington Group

San Francisco, California
November 20, 2008

COMMUNITY VIOLENCE SOLUTIONS

STATEMENT OF FINANCIAL POSITION

June 30, 2008

With comparative totals at June 30, 2007

	2008	2007
Assets		
Cash and cash equivalents (Note 2)	\$ 261,769	\$ 295,210
Accounts receivable	348,952	422,424
Prepaid expenses and deposits	16,781	21,060
Property and equipment (Note 3)	30,100	36,114
Total assets	\$ 657,602	\$ 774,808
Liabilities and net assets		
Liabilities		
Accounts payable	\$ 24,230	\$ 13,110
Accrued liabilities (Note 4)	119,566	100,837
Line of credit (Note 5)	-	-
Total liabilities	143,796	113,947
Net assets		
Unrestricted	513,806	660,861
Temporarily restricted	-	-
Total net assets	513,806	660,861
Total liabilities and net assets	\$ 657,602	\$ 774,808

The accompanying notes are an integral part of these financial statements.

COMMUNITY VIOLENCE SOLUTIONS

STATEMENT OF ACTIVITIES

For the year ended June 30, 2008
With comparative totals for the year ended June 30, 2007

	Unrestricted	Temporarily Restricted	2008	2007
Revenue and support				
Government contracts (Note 7)	\$ 1,684,342	\$ -	\$ 1,684,342	\$ 1,603,313
Contributions and grants	86,610	153,567	240,177	314,914
In-kind donations (Note 2)	138,795		138,795	159,572
Therapy services	29,881		29,881	37,334
Other income	10,903		10,903	10,196
Special events	7,510		7,510	39,634
Interest income	4,531		4,531	6,181
Net assets released from program restrictions	153,567	(153,567)	-	-
Total revenue and support	2,116,139	-	2,116,139	2,171,144
Expenses				
Program services	1,964,051		1,964,051	1,870,716
Management and general	323,927		323,927	348,940
Fundraising	25,216		25,216	50,854
Total expenses	2,313,194	-	2,313,194	2,270,510
Other changes				
Contracts settlement			-	43,947
Change in net assets	(197,055)	-	(197,055)	(55,419)
Net assets, beginning of year as previously reported	660,861		660,861	716,280
Prior period adjustment (Note 10)	50,000		50,000	-
Net assets, beginning of year as restated	710,861	-	710,861	716,280
Net assets, end of year	\$ 513,806	\$ -	\$ 513,806	\$ 660,861

The accompanying notes are an integral part of these financial statements.

COMMUNITY VIOLENCE SOLUTIONS

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended June 30, 2008

With comparative totals for the year ended June 30, 2007

	Program Services							Fundraising	Total Expenses	
	Rape Crisis Center	Prevention Services	Stepping Stones	Children's Interview Center	Safe for Us	Zero Tolerance Conference	Total Program Services		2008	2007
Salaries	\$ 442,574	\$ 127,552	\$ 288,893	\$ 178,998	\$ 104,866	\$ -	\$ 1,142,883	\$ 14,946	\$ 1,377,045	\$ 1,361,154
Payroll taxes	39,325	11,392	25,020	15,592	9,039		100,368	1,315	121,051	119,954
Employee benefits	23,970	7,191	17,204	9,362	4,116		61,843	757	74,369	87,599
Total personnel costs	505,869	146,135	331,117	203,952	118,021	-	1,305,094	17,018	1,572,465	1,568,707
Contract services	31,367	3,369	61,038	7,804	14,182	8,877	126,637		155,275	93,251
In-kind donations (Note 2)	132,979		5,816				138,795		138,795	159,572
Occupancy	30,176	12,039	57,569	2,180	12,982		114,946	1,603	132,243	131,883
Repairs and maintenance	33,531	7,432	13,047	1,556	20,371		75,937	475	83,282	55,121
Communication	24,678	4,423	10,273	567	3,934		43,875	407	51,062	53,760
Conferences and seminars	5,282	927	600	1,539	8,018	26,487	42,853	2	43,380	32,495
Travel	13,624	6,381	2,883	1,288	861		25,037	48	25,363	33,050
Postage and printing	8,274	2,736	5,330	456	1,966		18,762	218	24,204	22,432
Depreciation	18,584	568	1,482	1,940			22,574		22,574	27,401
Insurance	7,659	2,317	4,948	3,097	1,798		19,819	263	20,082	18,988
Office supplies	4,322	1,281	2,935	415	1,134		10,087	107	12,560	24,089
Program expense	7,875	484	1,667	607	361		10,994		10,994	16,469
Miscellaneous	74		54	20			148		7,021	6,060
Annual event					269		269	4,888	5,157	13,564
Training	3,505	74	20	100			3,699		3,699	3,945
Dues and subscriptions	1,305	292	499	704	168		2,968	187	3,309	3,281
Recruitment	497	320	543	20	177		1,557		1,677	4,261
Interest							-	52	52	2,181
Total 2008 functional expenses	\$ 829,601	\$ 188,778	\$ 499,821	\$ 226,245	\$ 184,242	\$ 35,364	\$ 1,964,051	\$ 25,216	\$ 2,313,194	
Total 2007 functional expenses	\$ 873,183	\$ 212,816	\$ 532,846	\$ 207,133	\$ 44,738	\$ -	\$ 1,870,716	\$ 50,854	\$ 2,270,510	

The accompanying notes are an integral part of these financial statements.

COMMUNITY VIOLENCE SOLUTIONS

STATEMENT OF CASH FLOWS

For the year ended June 30, 2008

With comparative totals for the year ended June 30, 2007

	<u>2008</u>	<u>2007</u>
Cash flows from operating activities:		
Change in net assets	\$ (197,055)	\$ (55,419)
Adjustments to reconcile change in net assets to net cash (used) by operating activities:		
Depreciation	22,574	27,401
(Increase) decrease in accounts receivable	123,472	(11,267)
(Increase) decrease in prepaid expenses and deposits	4,279	(3,694)
Increase (decrease) in accounts payable	11,120	(2,071)
Increase (decrease) in accrued liabilities	<u>18,729</u>	<u>(9,623)</u>
 Net cash (used) by operating activities	 <u>(16,881)</u>	 <u>(54,673)</u>
 Cash flows from investing activities:		
Purchase of property and equipment	<u>(16,560)</u>	<u>(15,494)</u>
 Net cash (used) by investing activities	 <u>(16,560)</u>	 <u>(15,494)</u>
 Net (decrease) in cash and cash equivalents	 (33,441)	 (70,167)
 Cash and cash equivalents, beginning of year	 <u>295,210</u>	 <u>365,377</u>
 Cash and cash equivalents, end of year	 <u><u>\$ 261,769</u></u>	 <u><u>\$ 295,210</u></u>

The accompanying notes are an integral part of these financial statements.

COMMUNITY VIOLENCE SOLUTIONS

NOTES TO FINANCIAL STATEMENTS

1. Organization

Community Violence Solutions, ("CVS"), formerly Rape Crisis Center, is a California nonprofit public benefit corporation organized to provide support services to children, adults, and their families who are victims of sexual assault or family violence in Contra Costa and Marin counties. The agency was founded in 1974, and since then, it has developed strong collaborations with law enforcement, offices of the district attorney, hospitals, therapists, social services providers, and school districts to increase safety in the Contra Costa and Marin Counties.

CVS is one of the oldest rape crisis centers in California and serves an extremely diverse population, ranging in age from 2 to 85 and crossing gender, racial, cultural, religious, sexual orientation, and economic status lines. Financially, CVS depends largely upon government grants; however, it also receives significant donations from the community in forms of cash and volunteer service.

CVS provides counseling, intervention, and treatment to its clientele through offices located in various places which include; San Pablo, Martinez, Antioch, Concord, and San Rafael.

The main programs through which CVS provides its services include:

The 24- hour crisis intervention hotline and crisis center responds to more than 1,300 requests for help each year. Staff and approximately 25 volunteers are on call to provide support on a 24-hour, seven-day-week basis.

Stepping Stones Counseling Center provides services to over 400 individuals each year and specializes in counseling services to people whose lives have been affected by sexual assault. Clients are helped to heal and gain self-confidence and understanding to move forward with their lives.

Sexual Assault Response Team (SART) provides leadership to a multidisciplinary team of responders – collaborating with a pool of specially trained, on-call, sexual assault nurse examiners who respond to the immediate medical needs of victims. The emergency medical examination is needed to maximize the evidence collection process, thereby increasing the rate of prosecution. Trained advocates of the CVS Rape Crisis Center provide support throughout the SART examination and the court process. Additionally, CVS manages the quarterly staffing of cases community wide which includes law enforcement, medical personnel, and the District Attorney.

Children's Interview Center (CIC) is a safe place where children are brought by law enforcement for a forensic interview (and non-acute forensic pediatric gynecological) examination in order to determine if they are victims of sexual abuse. This center is a collaborative effort including the Contra Costa County Employment and Human Services Department, Health Services Department, District Attorney's Office, law enforcement agencies and CVS at the lead.

Prevention Services and prevention education is provided to middle and high school students through classroom seminars and workshops. Community outreach is also conducted and males are specifically served through the new MyStrength male curriculum program. Over 13,000 students and adults were reached last year through these seminars. Self-defense and assertiveness for girls and women are also included in these workshops.

continued

COMMUNITY VIOLENCE SOLUTIONS

NOTES TO FINANCIAL STATEMENTS

1. Organization, continued

Safe 4 Us is a child visitation and exchange center for (court ordered) children to visit parents who are under restraining orders from one another following an incident of domestic violence, sexual assault, stalking, or child abuse. CVS is the lead agency of this collaborative effort which brings together Contra Costa County Family Court, Law enforcement agencies of San Pablo and Richmond, Bay Area Legal Aide, STAND! Against Domestic Violence, Familias Unidas, Contra Costa County Children's Mental Health, County Probation, John F. Kennedy University as partners in this service of West Contra Costa County.

Contra Costa County's Zero Tolerance for Domestic Violence produced a professional development conference: "Creating Responsive Systems for Children Exposed to Domestic Violence" in the fall of 2007. Community Violence Solutions acted as the fiscal agent for the event.

CVS' management team is headed by an Executive Director who reports to the Board of Directors.

2. Summary of Significant Accounting Policies

A summary of the significant accounting policies applied in the preparation of the accompanying financial statements is as follows:

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting.

Accounting

To ensure observance of certain constraints and restrictions placed on the use of resources, the accounts of CVS are maintained in accordance with the principles of net asset accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into net asset classes that are in accordance with specified activities or objectives. Accordingly, all financial transactions have been recorded and reported by net asset class as follows:

Unrestricted. These generally result from revenue generated by receiving unrestricted contributions, providing services, and receiving interest from investments less expenses incurred in providing program-related services, raising contributions, and performing administrative functions.

Temporarily Restricted. CVS reports gifts of cash and other assets as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from program or capital restrictions. CVS has no temporarily restricted assets at June 30, 2008.

continued

COMMUNITY VIOLENCE SOLUTIONS

NOTES TO FINANCIAL STATEMENTS

2. Summary of Significant Accounting Policies, continued

Permanently Restricted. These net assets are restricted by donors who stipulate that resources are to be maintained permanently, but permit CVS to expend all of the income (or other economic benefits) derived from the donated assets. CVS has no permanently restricted assets at June 30, 2008.

Cash and Cash Equivalents

CVS has defined cash and cash equivalents as cash in banks and certificates of deposits with an original maturity of three months or less.

Accounts Receivable

Accounts receivable are receivables from governmental agencies. Therefore, no allowance for doubtful accounts has been provided.

Contributions and Pledges Receivable

Unconditional contributions, including pledges recorded at estimated net realizable value, are recognized as revenue in the period received. CVS reports unconditional contributions as restricted support if they are received with donor stipulations that limit the use of the donated assets.

Property and Equipment

Property and equipment are recorded at cost if purchased or at fair value at the date of donation if donated. Depreciation is computed on the straight-line basis over the estimated useful lives of the related assets. Maintenance and repair costs are charged to expense as incurred. Property and equipment are capitalized if the cost of an asset is greater than or equal to one thousand dollars and the useful life is greater than one year.

Concentration of Credit Risks

CVS places its temporary cash investments with high-credit, quality financial institutions. At times, such investments may be in excess of the Federal Deposit Insurance Corporation insurance limit. CVS has not incurred losses related to these investments.

The primary receivable balance outstanding at June 30, 2008 consists of government contract receivables due from county, state, and federal granting agencies. Concentration of credit risk with respect to trade receivables is limited, as the majority of CVS' receivables consist of earned fees from contract programs granted by governmental agencies.

continued

COMMUNITY VIOLENCE SOLUTIONS

NOTES TO FINANCIAL STATEMENTS

2. Summary of Significant Accounting Policies, continued

Donated Materials and Services

Contributions of donated noncash assets are recorded at fair value in the period received. Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at fair value in the period received. For the year ended June 30, 2008, CVS recorded in-kind services of \$138,795 for the Rape Crisis Center and Stepping Stones Counseling Center.

Income Taxes

CVS is exempt from taxation under Internal Revenue Code Section 501(c)(3) and California Revenue and Taxation Code Section 23701d.

Functional Allocation of Expenses

Costs of providing CVS' programs and other activities have been presented in the Statement of Functional Expenses. During the year, such costs are accumulated into separate groupings as either direct or indirect. Indirect or shared costs are allocated among program and support services by a method that best measures the relative degree of benefit. CVS uses direct costs and full-time equivalents to allocate indirect costs.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets, liabilities, revenues, and expenses as of the date and for the period presented.

Comparative Totals

The financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with CVS' financial statements for the year ended June 30, 2007 from which the summarized information was derived.

continued

COMMUNITY VIOLENCE SOLUTIONS

NOTES TO FINANCIAL STATEMENTS

3. Property and Equipment

Property and equipment at June 30, 2008 consist of the following:

Furniture and fixtures	\$ 2,568
Office equipment	259,008
Leasehold improvements	<u>39,687</u>
	301,263
Less: accumulated depreciation	<u>(271,163)</u>
	<u>\$ 30,100</u>

4. Accrued Liabilities

Accrued liabilities at June 30, 2008 consist of the following:

Accrued payroll	\$ 58,855
Accrued vacation	45,501
Other liabilities	<u>15,210</u>
	<u>\$119,566</u>

5. Line of Credit

CVS has a line of credit in the amount of \$175,000 from a bank, at an interest rate of 2% above the prime rate, due June 2009. There was no outstanding balance at June 30, 2008.

6. Commitments and Contingencies

Obligations Under Operating Leases

CVS leases various facilities under operating leases with various terms that expire in the fiscal year ended 2008. Future minimum payments, by year and in the aggregate, under these leases with remaining terms of one year or less, are \$13,272. Rent expense under operating leases for the year ended June 30, 2008 was \$111,717.

Contracts

CVS' grants and contracts are subject to inspection and audit by the appropriate governmental funding agency. The purpose is to determine whether program funds were used in accordance with their respective guidelines and regulations. The potential exists for disallowance of previously funded program costs. The ultimate liabilities, if any, which may result from any other governmental audits cannot be reasonably estimated and, accordingly, CVS has no provisions for the possible disallowance of any other program costs on its financial statements.

continued

COMMUNITY VIOLENCE SOLUTIONS

NOTES TO FINANCIAL STATEMENTS

7. Government Contracts

Government contracts for the year ended June 30, 2008 consist of the following:

Rape crisis center	\$ 482,904
Mental health	185,682
Safe havens	166,067
Sexual assault response team	159,153
Prevention	154,528
Children's interview center	110,000
Family and children trust	99,089
Crisis intervention	88,565
Child welfare redesign	64,017
Child abuse treatment	48,507
Community development block grants	48,500
Extended forensic evaluation	48,026
Keller Canyon landfill mitigation	15,000
Other	14,304
	<u>\$1,684,342</u>

8. Employee Benefit Plan

CVS has a deferred tax compensation plan available to all employees with one or more years of service. Employees may contribute any whole percentage of annual compensation provided that it does not exceed maximum amounts as permitted by law. CVS made matching contributions up to 3% of employee's annual earnings. Employer contributions under this plan for the year ended June 30, 2008 were \$11,325.

9. Office of Emergency Services

Costs incurred for the Rape Crisis Center and Sexual Assault Response Team, relating to the Office of Emergency Services funding, are included in program services on the Statement of Functional Expenses. These costs for the year ended June 30, 2008 consist of the following:

Rape Crisis Center – RC07271108	
Personnel services	\$103,032
Operating expenses	<u>50,304</u>
	<u>\$153,336</u>
Rape Crisis Center – RC07151108	
Personnel services	\$ 88,564
Operating expenses	<u>21,782</u>
	<u>\$110,346</u>
Rape Crisis Center – RC07201108	
Personnel services	\$72,481
Operating expenses	<u>12,066</u>
	<u>\$84,547</u>

continued

COMMUNITY VIOLENCE SOLUTIONS

NOTES TO FINANCIAL STATEMENTS

9. Office of Emergency Services, continued

Sexual Assault Response Team -- SA06B91108	
Personnel services	\$22,555
Operating expenses	<u>2,927</u>
	<u>\$25,482</u>
Sexual Assault Response Team -- SA06A91108	
Personnel services	\$11,663
Operating expenses	<u>1,875</u>
	<u>\$13,538</u>
Sexual Assault Response Team -- SA06091108	
Personnel services	\$10,440
Operating expenses	<u>1,693</u>
	<u>\$12,133</u>
Sexual Assault Response Team -- RC07271108	
Personnel services	\$35,682
Operating expenses	<u>4,718</u>
	<u>\$40,400</u>
Sexual Assault Response Team -- RC07151108	
Personnel services	\$31,279
Operating expenses	<u>2,521</u>
	<u>\$33,800</u>
Sexual Assault Response Team -- RC07201108	
Personnel services	\$28,414
Operating expenses	<u>5,386</u>
	<u>\$33,800</u>

10. Prior Period Adjustment

Unrestricted net assets at July 1, 2007 have been restated to properly reflect a pledge receivable in the amount of \$50,000. Accordingly, pledge receivable and unrestricted net assets as of June 30, 2007 would have increased by \$50,000. The net effect of this adjustment would have been an increase of \$50,000 to the change in net assets for the year ended June 30, 2007.

SUPPLEMENTAL SCHEDULE

COMMUNITY VIOLENCE SOLUTIONS

SCHEDULE OF EXPENDITURES OF FEDERAL AND NON-FEDERAL AWARDS

For the year ended June 30, 2008

Federal awards Agency/Program Grant Title	Contract Number	Federal CFDA Number	Governmental Revenue		Program Expenditures From Governmental Revenue
			Federal	Non-federal	
Major awards					
U.S. Department of Justice:					
Pass-through, Office of Emergency Services:					
Crime Victim Assistance:					
Rape Crisis Center	RC07271108		\$ 153,336	\$ 59,302	\$ 212,638
Rape Crisis Center	RC07151108		110,346	42,675	153,021
Rape Crisis Center	RC07201108		84,547	32,698	117,245
U.S. Department of Justice:					
Pass-through, Office of Emergency Services:					
Pass-through, STANDI Against Domestic Violence:					
Crime Victim Assistance:					
Child Abuse Treatment Program			48,507		48,507
	16.575		396,736	134,675	531,411
Total major awards			396,736	134,675	531,411
Non-major awards					
U.S. Department of Health and Human Services:					
Pass through, Contra Costa County Health Services:					
Medical Assistance Program	24-932-11	93.778	92,841	92,841	185,682
Pass through, Office of Emergency Services:					
Children's Justice Grants to States:					
Extended Forensic Evaluation Program	EF06011108		24,431		24,431
Extended Forensic Evaluation Program	EF07021108		23,595		23,595
	93.643		48,026	-	48,026
U.S. Department of Justice:					
Pass-through, Contra Costa County Office of the County Administration:					
Supervised Visitation, Safe Havens for Children		16.527	166,067		166,067
Pass-through, Office of Emergency Services:					
Violence Against Women Formula Grants:					
Sexual Assault Response Team	SA06B91108		25,482		25,482
Sexual Assault Response Team	SA06A91108		13,538		13,538
Sexual Assault Response Team	SA06091108		12,133		12,133
Sexual Assault Response Team	RC07271108		40,400		40,400
Sexual Assault Response Team	RC07151108		33,800		33,800
Sexual Assault Response Team	RC07201108		33,800		33,800
	16.588		159,153	-	159,153
Pass-through, County of Marin:					
Enhanced Training and Services to End Violence and Abuse of Women Later in Life	2006-EW-AX-K003	16.528	7,879		7,879
U.S. Department of Housing and Urban Development:					
Community Development Block Grants:					
Contra Costa County	07-03-PS		18,500		18,500
City of Antioch			8,000		8,000
City of Pittsburg			8,000		8,000
City of Walnut Creek			9,000		9,000
City of Concord			5,000		5,000
	14.218		48,500	-	48,500
Total non-major awards			522,466	92,841	615,307
Total federal awards			919,202	227,516	1,146,718

See independent auditor's report

COMMUNITY VIOLENCE SOLUTIONS

SCHEDULE OF EXPENDITURES OF FEDERAL AND NON-FEDERAL AWARDS

For the year ended June 30, 2008
continued

	Contract Number	Federal CFDA Number	Governmental Revenue Federal	Non-federal	Program Expenditures From Governmental Revenue
Nonfederal awards					
State of California Department of Health Services: Epidemiology and Prevention for Injury Control (EPIC)	04-45577			154,528	154,528
Contra Costa County Employment and Human Services Department:					
Children's Interview Center Collaborative	21-385-9			110,000	110,000
Family and Children Trust Committee	19-346-0			99,089	99,089
Child Welfare Redesign Differential Response Program	21-052-3			64,017	64,017
Contra Costa County Health Services Department:					
Crisis Intervention and In-Person Advocacy	23-159-19			88,565	88,565
Contra Costa County Board of Supervisors:					
Keller Canyon Landfill Mitigation Program				15,000	15,000
Contra Costa County Office of the County Administrator:					
Grants to Encourage Arrest Policies and Enforcement of Protection				6,425	6,425
Total non-federal awards				537,624	537,624
Total federal and non-federal awards			\$ 919,202	\$ 765,140	\$ 1,684,342

Summary of Significant Accounting Policies

1. Basis of Accounting - The Schedule of Expenditures of Federal and Non-federal Awards has been reported on the accrual basis of accounting.
2. CVS is exempt from income taxation under Internal Revenue Code Section 501(c)(3) and California Revenue Taxation Code Section 23701d.

See independent auditor's report

ADDITIONAL INFORMATION



Harrington Group

CERTIFIED PUBLIC ACCOUNTANTS, LLP

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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

To the Board of Directors
Community Violence Solutions

We have audited the financial statements of Community Violence Solutions ("CVS") as of and for the year ended June 30, 2008 and have issued our report thereon dated November 20, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting. In planning and performing our audit, we considered CVS' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of CVS' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of CVS' internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects CVS' ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of CVS' financial statements that is more inconsequential will not be prevented or detected by CVS' internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by CVS' internal control.

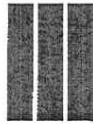
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters. As part of obtaining reasonable assurance about whether CVS' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the audit committee, management, and federal awarding agencies and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

Harrington Group

San Francisco, California
November 20, 2008



Harrington Group

CERTIFIED PUBLIC ACCOUNTANTS, LLP

J. Joseph Harrington
Job M. Quesada
Sean E. Cain
Tonetta L. Conner

Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133

To the Board of Directors
Community Violence Solutions

Compliance. We have audited the compliance of Community Violence Solutions ("CVS") with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2008. CVS' major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility CVS' management. Our responsibility is to express an opinion on CVS' compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about CVS' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on CVS' compliance with those requirements.

In our opinion, CVS complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

Internal Control Over Compliance. The management of CVS is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered CVS' internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of CVS' internal control over compliance.

A *control deficiency* in CVS' internal control over compliance that exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects CVS' ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not prevent or detected by CVS' internal control.

A *material weakness* is a significant deficiency or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by CVS' internal control.

Our consideration of internal control over compliance was for limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weakness. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above.

This report is intended solely for the information and use of the audit committee, management, and federal awarding agencies and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

Harrington Group

San Francisco, California
November 20, 2008

COMMUNITY VIOLENCE SOLUTIONS
Schedule of Findings and Questioned Costs
For the year ended June 30, 2008

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	unqualified	
Internal control over financial reporting:		
• Material weakness(es) identified?	_____yes	___x___no
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____yes	___x___none reported
Noncompliance material to financial statements noted?	_____yes	___x___no

Federal Awards

Internal control over major programs:		
• Material weakness(es) identified?	_____yes	___x___no
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____yes	___x___none reported
Type of auditor's report issued on compliance for major programs:	unqualified	
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	_____yes	___x___no

Dollar threshold used to distinguish between Type A and Type B Solutions:	300,000
Auditee qualified as low-risk auditee?	___x___yes _____no

Identification of Major Solutions:

CFDA Number(s)
16.575

Name of Federal Program or Cluster
U.S. Department of Justice:
Pass-through, Office of Emergency Services:
Crime Victim Assistance

Section II – Financial Statements Findings

There are no findings required to be reported in accordance with *Generally Accepted Government Auditing Standards*.

Section III – Federal Award Findings and Questioned Costs

There are neither findings nor questioned costs for Federal awards as defined in OMB Circular A-133.

Section IV – Summary Schedule of Prior Year Findings

None.